

Adopted	Rejected
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COMMITTEE REPORT

YES:	18
NO:	9

MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred House Bill 1003, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 2, line 42, delete "." and reset in roman "and its finding shall
- 2 be final."
- 3 Page 3, line 1, delete "If a person has substantial reason to believe
- 4 that a".
- 5 Page 3, delete lines 2 through 9.
- 6 Page 3, line 10, delete "(i)".
- 7 Page 3, run in lines 1 through 10.
- 8 Page 3, line 13, delete "(j)" and reset in roman "(i)".
- 9 Page 3, line 19, delete "(k)" and reset in roman "(j)".
- 10 Page 3, line 24, delete "(l)" and reset in roman "(k)".
- 11 Page 4, between lines 13 and 14, begin a new paragraph and insert:
- 12 "SECTION 3. IC 5-16-7-2.3 IS ADDED TO THE INDIANA CODE
- 13 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 14 1, 2003]: **Sec. 2.3. (a) A contractor or subcontractor may employ a**

person as an apprentice to perform work on a contract for the construction of a public work at less than the schedule of wages filed under section 2 of this chapter when all of the following conditions are met:

(1) The person is employed pursuant to a bona fide apprenticeship program registered with the United States Department of Labor's Bureau of Apprenticeship and Training.

(2) The person is individually registered in the apprenticeship program described in subdivision (1).

(3) The allowable ratio of apprentices to journeymen on the job site in any craft classification is not greater than the ratio permitted to the contractor or subcontractor for the entire work force under the apprenticeship program described in subdivision (1).

(b) A contractor or subcontractor that lists a worker on a payroll at an apprentice wage rate without meeting the conditions in subsection (a) shall pay the worker not less than the rate of wages determined under this chapter for the classification of labor actually performed by the worker.

SECTION 4. IC 5-16-7-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 2.5. (a) For each week in which a contractor or subcontractor performs work on a contract for which a schedule of wages was filed under section 2 of this chapter, the contractor or subcontractor shall submit a copy of all payrolls for the work performed on the contract for that week to the state or municipal corporation that let the contract.

(b) The payrolls submitted under subsection (a) must set out accurately and completely at least the following information for each worker:

(1) Name.

(2) Address.

(3) Social Security number.

(4) Labor classification.

(5) Wage rate paid.

(6) The daily and weekly number of hours worked.

(7) Deductions made from wages paid.

1 **(8) Actual wages paid.**

2 **(c) In addition to the payroll information required under**
 3 **subsection (b), a contractor or subcontractor that employs an**
 4 **apprentice in accordance with section 2.3 of this chapter shall**
 5 **submit written evidence of the following:**

6 **(1) The registration of the apprenticeship program with the**
 7 **United States Department of Labor's Bureau of**
 8 **Apprenticeship and Training.**

9 **(2) The individual registration forms for each apprentice.**

10 **(3) The applicable ratios and wage rates prescribed by the**
 11 **apprenticeship program.**

12 **(d) A contractor or subcontractor may submit the payroll**
 13 **information required under subsection (b) in any form the**
 14 **contractor or subcontractor desires.**

15 **(e) A contractor is responsible for the submission of the payroll**
 16 **information by all subcontractors performing work for the**
 17 **contractor.**

18 **(f) A contractor or subcontractor shall maintain the payrolls**
 19 **required by this section:**

20 **(1) during the course of the work; and**

21 **(2) for three (3) years after the last date work is performed;**
 22 **on the contract.**

23 **(g) A contractor or subcontractor shall:**

24 **(1) make the payrolls required by this section available for**
 25 **inspection, copying, or transcription; and**

26 **(2) permit interviews of employees during working hours on**
 27 **the job site;**

28 **by the authorized representatives of the state or municipal**
 29 **corporation that let the contract and the state department of labor.**

30 **SECTION 5. IC 5-16-7-2.7 IS ADDED TO THE INDIANA CODE**
 31 **AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY**
 32 **1, 2003]: Sec. 2.7. (a) A subcontract for the performance of any**
 33 **work on a contract for which a schedule of wages was filed under**
 34 **section 2 of this chapter must include as terms of the subcontract:**

35 **(1) the schedule of wages filed under section 2 of this chapter;**

36 **(2) the certification required by subsection (b);**

37 **(3) the requirements of this chapter; and**

38 **(4) a requirement that the subcontractor include the terms in**

1 this section as terms in any lower tier subcontract.

2 (b) A contractor that enters into a contract for which a schedule
3 of wages is filed under section 2 of this chapter shall certify that:

4 (1) neither the contractor nor any person with an ownership
5 interest in the contractor is disqualified from being awarded
6 the contract because of prior violations of the requirements of
7 this chapter; and

8 (2) no part of the contract will be subcontracted to any person
9 who is disqualified from being awarded the contract because
10 of prior violations of the requirements of this chapter.

11 (c) A contractor is responsible for the compliance with this
12 section by a subcontractor or lower tier subcontractor that is
13 performing work for the contractor.

14 SECTION 6. IC 5-16-7-3 IS AMENDED TO READ AS FOLLOWS
15 [EFFECTIVE JULY 1, 2003]: Sec. 3. (a) A contractor or subcontractor
16 who knowingly fails to pay the rate of wages determined under this
17 chapter commits a Class B misdemeanor.

18 (b) A contractor or subcontractor who knowingly or
19 intentionally:

20 (1) submits a payroll required by section 2.5 of this chapter;
21 or

22 (2) makes a certification under section 2.7(b) of this chapter;
23 that contains information that is false or incomplete commits a
24 Class A misdemeanor.

25 (c) A contractor or subcontractor who fails to submit a payroll
26 required by section 2.5 of this chapter commits a Class B
27 infraction.

28 (d) A contractor or subcontractor who fails to:

29 (1) make a payroll available for inspection, copying, or
30 transcription; or

31 (2) permit an interview of an employee;
32 as required by section 2.5 (g) of this chapter commits a Class A
33 infraction.

34 (e) If the contractor or subcontractor has committed a prior
35 **unrelated** offense under this section, the contract on which the instant
36 offense occurred shall be forfeited and the contractor or subcontractor
37 may not receive any further payment on the contract nor may the state
38 or the municipal corporation making the contract make any further

1 payments on the contract from any of the funds under its charge or
2 control.

3 **(f) In addition to the penalty under subsection (e), a contractor**
4 **or subcontractor who has a prior unrelated conviction under this**
5 **section and is convicted of a subsequent offense under this section**
6 **is disqualified for three (3) years after the date of the subsequent**
7 **offense from being awarded a contract for construction of a public**
8 **work by the state or a municipal corporation."**

9 Page 4, after line 42, begin a new paragraph and insert:

10 "SECTION 8. IC 5-16-7-5.5 IS ADDED TO THE INDIANA CODE
11 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
12 1, 2003]: **Sec. 5.5. A dispute relating to the payment of the common**
13 **construction wage as determined under this chapter shall be**
14 **submitted to the department of labor for resolution."**

15 Page 7, line 6, after "IC 22-3-7" insert ",".

16 Page 9, line 36, strike "fifteen" and insert "**thirty**".

17 Page 9, line 36, strike "(\$15)" and insert "**(\$30)**".

18 Page 12, line 11, after "treatment" insert "**with an attending**
19 **physician described in subsection (a)**".

20 Page 21, line 27, delete "If" and insert "**In computing the average**
21 **weekly wage for**".

22 Page 21, line 27, after "who" insert ":

23 **(1)**".

24 Page 21, line 27, after "injury" insert ";

25 **(2)**".

26 Page 21, line 28, after "work" insert ";

27 Page 21, line 28, delete "suffers" and begin a new line block
28 indented and insert:

29 **"(3) sustains"**.

30 Page 21, line 29, after "June 30, 2003" delete "," and insert ";

31 Page 21, line 29, block left beginning with "the average".

32 Page 21, line 29, delete "that" and insert "**the later**".

33 Page 21, line 30, delete "determined based on" and insert "**the**
34 **greater of**".

35 Page 21, line 31, delete "disability" and insert "**compensable injury**
36 **or the employee's average weekly wage at the time of the later**
37 **period of disability**".

38 Page 21, line 32, after "day" insert "**the employee**".

- 1 Page 34, line 34, reset in roman "benefits" and delete
- 2 "compensation".
- 3 Page 43, line 36, delete "have jurisdiction to".
- 4 Page 43, line 39, after "from" insert **"the latest of the following:**
- 5 **(1)".**
- 6 Page 43, line 39, reset in roman "last day for which compensation
- 7 was paid".
- 8 Page 43, line 40, delete "date of the most recent".
- 9 Page 43, line 40, strike "award made either by agreement or upon".
- 10 Page 43, line 41, strike "hearing.".
- 11 Page 44, line 1, after "paid." insert **"for temporary total disability,**
- 12 **permanent partial impairment, or permanent total disability.**
- 13 **(2) The date of an award for temporary total disability,**
- 14 **permanent partial impairment, or permanent total disability.**
- 15 **(3) The last day that medical expenses under section 4 of this**
- 16 **chapter were provided to the employee.".**
- 17 Page 44, line 1, begin a new line blocked left beginning with "The
- 18 board".
- 19 Page 50, line 39, delete "occupational disease;" and insert **"injury;"**.
- 20 Page 50, line 42, delete "occupational disease" and insert **"injury"**.
- 21 Page 51, line 2, delete "determined based on the" and insert **"the**
- 22 **greater of the employee's"**.
- 23 Page 51, line 3, delete "that disability," and insert **"the compensable**
- 24 **injury or the employee's average weekly wage at the time of the**
- 25 **later period of disability,"**.
- 26 Page 51, line 4, after "day" insert **"the employee"**.
- 27 Page 70, line 5, delete "compensation" and insert **"benefits"**.
- 28 Page 70, line 6, delete "reasonable amounts of" and insert
- 29 **"additional"**.
- 30 Page 70, line 6, delete "taking into consideration" and insert **"equal**
- 31 **to sixty-six and two-thirds percent (66 2/3%) of"**.
- 32 Page 70, line 8, delete ", the number of recipients entitled to
- 33 compensation" and insert **"from occupational disease,"**.
- 34 Page 70, delete lines 9 through 10.
- 35 Page 70, line 11, delete "time of the application,".
- 36 Page 70, run in lines 8 through 11.
- 37 Page 70, line 11, after "maximum" insert **"compensation"**.
- 38 Page 70, line 16, delete "an occupational disease" and insert **"from**

- 1 **causes and conditions".**
- 2 Page 70, line 37, delete "under" and insert **"by"**.
- 3 Page 70, line 41, after "or" insert **"a"**.
- 4 Page 73, line 11, after "treatment" insert **"with an attending**
- 5 **physician described in subsection (a)".**
- 6 Page 81, line 26, delete "determined base on" and insert **"the**
- 7 **greater of"**.
- 8 Page 81, line 26, after "based on the" insert **"employee's"**.
- 9 Page 81, line 26, delete "that".
- 10 Page 81, line 27, delete "disability," and insert **"the compensable**
- 11 **occupational disease or the employee's average weekly wage at the**
- 12 **time of the later period of disability,".**
- 13 Page 81, line 28, after "day" insert **"the employee"**.
- 14 Page 85, line 39, after "due to" insert **"the employee's"**.
- 15 Page 86, line 26, strike "and".
- 16 Page 90, line 4, delete "have jurisdiction to".
- 17 Page 90, line 7, after "from" insert **"the latest of the following:**
- 18 **(1)".**
- 19 Page 90, line 7, reset in roman "last day for which compensation
- 20 was paid".
- 21 Page 90, line 8, delete "date of the most recent".
- 22 Page 90, line 8, strike "award made either by agreement or upon".
- 23 Page 90, line 9, strike "hearing.".
- 24 Page 90, line 11, after "paid." insert **"for temporary total**
- 25 **disability, permanent partial impairment, or permanent total**
- 26 **disability.**
- 27 **(2) The date of an award for temporary total disability,**
- 28 **permanent partial impairment, or permanent total disability.**
- 29 **(3) The last day that medical expenses under section 4 of this**
- 30 **chapter were provided to the employee."**
- 31 Page 91, line 32, strike "fifteen" and insert **"thirty"**.
- 32 Page 91, line 32, strike "(\$15)" and insert **"(\$30)"**.
- 33 Page 99, between lines 19 and 20, begin a new paragraph and insert:
- 34 "SECTION 53. IC 22-4-11-3, AS AMENDED BY P.L.30-2000,
- 35 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 36 JULY 1, 2003]: Sec. 3. (a) ~~Except as provided in section 3-2 of this~~
- 37 ~~chapter,~~ The applicable schedule of rates for the calendar year 1983
- 38 and thereafter shall be determined by the ratio resulting when the

balance in the fund as of the determination date is divided by the total payroll of all subject employers for the immediately preceding calendar year. Schedule A, B, C, or D, appearing on the line opposite the fund ratio in the schedule below, shall be applicable in determining and assigning each employer's contribution rate for the calendar year immediately following the determination date. For the purposes of this subsection, "total payroll" means total remuneration reported by all contributing employers as required by this article and does not include the total payroll of any employer who elected to become liable for payments in lieu of contributions (as defined in IC 22-4-2-32). For the purposes of this subsection, "subject employers" means those employers who are subject to contribution.

FUND RATIO SCHEDULE

When the Fund Ratio Is:

As Much As	But Less Than	Applicable Schedule
	1.0%	A
1.0%	1.5%	B
1.5%	2.25%	C
2.25%		D

(b) **For calendar years before 2002**, if the conditions and requirements of section 2 of this chapter are met, the rate of contributions shall be determined and assigned, with respect to each calendar year, to employers whose accounts have a credit balance and who are eligible therefor according to each employer's credit reserve ratio. Each employer shall be assigned the contribution rate appearing in the applicable schedule A, B, C, or D on the line opposite his credit reserve ratio as set forth in the rate schedule below:

RATE SCHEDULE FOR ACCOUNTS WITH CREDIT BALANCES

When the Credit Reserve Ratio Is:

As Much	But Less Than	Rate Schedules (%)					
As	Than	A	B	C	D	E	
3.0		1.2	0.2	0.2	0.2	0.15	
2.8	3.0	1.4	0.4	0.2	0.2	0.15	
2.6	2.8	1.6	0.6	0.2	0.2	0.15	
2.4	2.6	1.8	0.8	0.4	0.2	0.2	

1	2.2	2.4	2.0	1.0	0.6	0.2	0.2
2	2.0	2.2	2.2	1.2	0.8	0.4	0.4
3	1.8	2.0	2.4	1.4	1.0	0.6	0.6
4	1.6	1.8	2.6	1.6	1.2	0.8	0.8
5	1.4	1.6	2.8	1.8	1.4	1.0	1.0
6	1.2	1.4	3.0	2.0	1.6	1.2	1.2
7	1.0	1.2	3.2	2.2	1.8	1.4	1.4
8	0.8	1.0	3.4	2.4	2.0	1.6	1.6
9	0.6	0.8	3.6	2.6	2.2	1.8	1.8
10	0.4	0.6	3.8	2.8	2.4	2.0	2.0
11	0.2	0.4	4.0	3.0	2.6	2.2	2.2
12	0	0.2	4.2	3.2	2.8	2.4	2.4

(c) Each employer whose account as of any computation date occurring on and after June 30, 1984, shows a debit balance shall be assigned the rate of contributions appearing on the line opposite his debit ratio as set forth in the following rate schedule for accounts with debit balances:

RATE SCHEDULE FOR ACCOUNTS
WITH DEBIT BALANCES

When the Debit Reserve Ratio Is:

As	But	Rate Schedules					
Much	Less	(%)					
As	Than	A	B	C	D	E	
	1.5	4.5	4.4	4.3	4.2	3.6	
1.5	3.0	4.8	4.7	4.6	4.5	3.8	
3.0	4.5	5.1	5.0	4.9	4.8	4.1	
4.5	6.0	5.4	5.3	5.2	5.1	4.4	
6.0		5.7	5.6	5.5	5.4	5.4	

(d) Any adjustment in the amount charged to any employer's experience account made subsequent to the assignment of rates of contributions for any calendar year shall not operate to alter the amount charged to the experience accounts of any other base-period employers.

SECTION 54. IC 22-4-11-3.3, AS AMENDED BY P.L.1-2002, SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 3.3. (a) For calendar years ~~2002 through 2004,~~ **after 2001**, if the conditions of section 2 of this chapter are met, the rate of contributions shall be determined and assigned, with respect to each calendar year, to employers whose accounts have a credit balance

and who are eligible therefore according to each employer's credit reserve ratio. ~~Except as provided in section 3.2(b) of this chapter,~~ Each employer shall be assigned the contribution rate appearing in the applicable schedule A, B, C, D, or E on the line opposite the employer's credit reserve ratio as set forth in the rate schedule below:

RATE SCHEDULE FOR ACCOUNTS
WITH CREDIT BALANCES

When the Credit Reserve Ratio Is:

As	But	Rate Schedules					
Much	Less	(%)					
As	Than	A	B	C	D	E	
3.00		1.10	0.10	0.10	0.10	0.15	
2.80	3.00	1.30	0.30	0.10	0.10	0.15	
2.60	2.80	1.50	0.50	0.10	0.10	0.15	
2.40	2.60	1.70	0.70	0.30	0.10	0.20	
2.20	2.40	1.90	0.90	0.50	0.10	0.20	
2.00	2.20	2.10	1.10	0.70	0.30	0.40	
1.80	2.00	2.30	1.30	0.90	0.50	0.60	
1.60	1.80	2.50	1.50	1.10	0.70	0.80	
1.40	1.60	2.70	1.70	1.30	0.90	1.00	
1.20	1.40	2.90	1.90	1.50	1.10	1.20	
1.00	1.20	3.10	2.10	1.70	1.30	1.40	
0.80	1.00	3.30	2.30	1.90	1.50	1.60	
0.60	0.80	3.50	2.50	2.10	1.70	1.80	
0.40	0.60	3.70	2.70	2.30	1.90	2.00	
0.20	0.40	3.90	2.90	2.50	2.10	2.20	
0.00	0.20	4.10	3.10	2.70	2.30	2.40	

(b) For calendar years ~~2002 through 2004,~~ **after 2001**, if the conditions of section 2 of this chapter are met, the rate of contributions shall be determined and assigned, with respect to each calendar year, to employers whose accounts have a debit balance and who are eligible therefore according to each employer's debit reserve ratio. Each employer shall be assigned the contribution rate appearing in the applicable schedule A, B, C, D, or E on the line opposite the employer's debit reserve ratio as set forth in the rate schedule below:

RATE SCHEDULE FOR ACCOUNTS
WITH DEBIT BALANCES

When the Debit Reserve Ratio Is:

1	As	But	Rate Schedules				
2	Much	Less	(%)				
3	As	Than	A	B	C	D	E
4		1.50	4.40	4.30	4.20	4.10	5.40
5	1.50	3.00	4.70	4.60	4.50	4.40	5.40
6	3.00	4.50	5.00	4.90	4.70	4.70	5.40
7	4.50	6.00	5.30	5.20	5.10	5.00	5.40
8	6.00		5.60	5.50	5.40	5.40	5.40".
9	Page 119, line 22, delete "Hoosier" and insert " Indiana ".						
10	Page 119, line 25, delete "Sixty" and insert " Seventy-five ".						
11	Page 119, line 25, delete "(\$60,000,000) and insert " (\$75,000,000) ".						
12	Page 119, line 25, after "to" insert ":						
13	(A) restructure the base period requirements to allow earlier						
14	qualification for UI benefits;						
15	(B) increase the percentage of wage credits used to calculate						
16	UI benefits; or						
17	(C)".						
18	Page 119, line 25, delete "Hoosier" and insert " Indiana ".						
19	Page 119, line 26, delete "designated by the department of						
20	workforce".						
21	Page 119, line 27, delete "development".						
22	Page 119, line 28, after "benefits" insert ";						
23	Page 119, line 28, block indent left beginning with "in order".						
24	Page 123, line 6, delete "FIVE" and insert " FOUR ".						
25	Page 123, line 10, delete "Subtract the number of" and insert						
26	"Determine the percentage reduction in".						
27	Page 123, line 10, after "employee's" insert " normal ".						
28	Page 123, line 11, after "hours" insert " as to those ".						
29	Page 123, line 11, delete "plan from the" and insert " plan. ".						
30	Page 123, delete line 12.						
31	Page 123 , line 13, delete "Divide the STEP TWO result by the						
32	number" and insert " Multiply the number determined in STEP ONE						
33	by the quotient determined in STEP TWO."						
34	Page 123, delete line 14.						
35	Page 123, line 15, delete "Multiply the number determined in STEP						
36	ONE".						
37	Page 123, delete line 16.						
38	Page 123, line 17, delete "STEP FIVE:".						

- 1 Page 123, run in lines 15 through 17.
- 2 Page 132, line 21, after "given" insert ",".
- 3 Page 132, line 39, after "violation or" insert "**an**".
- 4 Page 140, between lines 10 and 11, begin a new paragraph and
- 5 insert:
- 6 "SECTION 73. [EFFECTIVE JULY 1, 2003] **IC 5-16-7-1,**
- 7 **IC 5-16-7-3, and IC 5-16-7-4, all as amended by this act, and**
- 8 **IC 5-16-7-1.5, IC 5-16-7-2.3, IC 5-16-7-2.5, IC 5-16-7-2.7, and**
- 9 **IC 5-16-7-5.5, all as added by this act, apply to contracts for the**
- 10 **construction of a public work awarded after June 30, 2003."**
- 11 Page 141, delete lines 3 through 4, begin a new paragraph and insert:

- 1 "SECTION 78. THE FOLLOWING ARE REPEALED [EFFECTIVE
- 2 JULY 1, 2003]: IC 22-4-10.5-1; IC 22-4-11-3.2".
- 3 Renumber all SECTIONS consecutively.
(Reference is to HB 1003 as printed January 31, 2003.)

and when so amended that said bill do pass.

Representative Crawford